



Manufacturing in Virginia

SIC 20 Food and Kindred Products



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Overall Assessment

- Virginia's 2nd largest manufacturing industry.
- Virginia employment grew 2.8 percent annually from 1949 to 1969, only 0.2 percent from 1969 to 2000.
- U.S. food processing industry has lost approximately 119,000 jobs since 1969.

Employment

	Virginia		U.S.	
	Employment	Rank	Employment	Rank
1949	20,700	4	1,778,000	1
1969	36,200	4	1,790,800	4
2000	38,500	2	1,671,900	4

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Employment Trends

Absolute Employment Growth

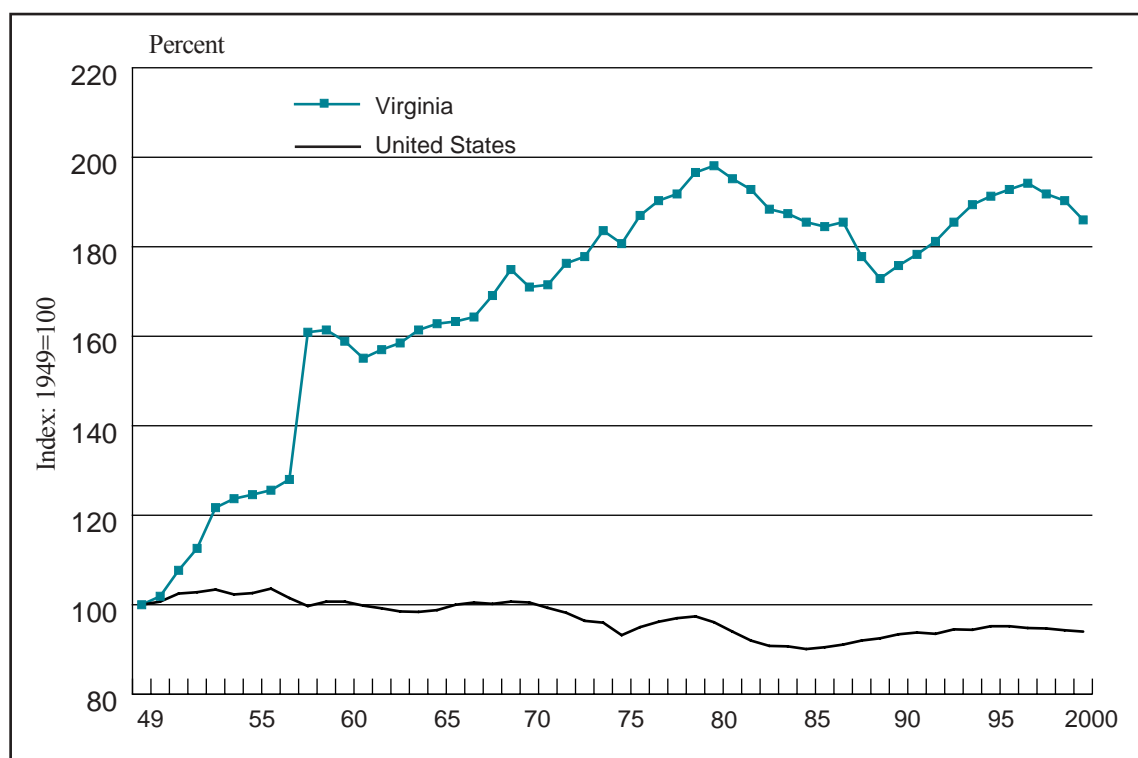
	Virginia		U.S.	
	Absolute Employment Change	Rank	Absolute Employment Change	Rank
1949-2000	+17,800	3	-106,100	10
1949-1969	+15,500	2	+12,800	10
1969-2000	+2,300	9	-118,900	11

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Relative Employment Growth

Virginia Annual Average Growth Rates						
	Growth Rate 1949-2000		Growth Rate 1949-69		Growth Rate 1969-2000	
		Rank		Rank		Rank
Food and Kindred Products						
Virginia	1.2%	6	2.8%	8	0.2%	11
U.S.	-0.1%	9	0.0%	10	-0.2%	7
Nonagricultural Employment	3.0%		3.1%		2.9%	
Manufacturing	1.1%		2.6%		0.2%	
Nondurable Goods	0.4%		2.0%		-0.6%	

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Employment Change 1949-2000

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Establishments***Number of Establishments***

	Virginia		U.S.	
	Establishments	Rank	Establishments	Rank
Food and Kindred Products	403	5	23,708	6
Manufacturing	6,908	--	413,506	--
Food and Kindred Products as a % of Mfg.	5.8%		5.7%	

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Employment per Establishment

	Virginia		U.S.	
	Employment	Rank	Employment	Rank
Food and Kindred Products	98	9	71	7
Manufacturing	57	--	45	--

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Payroll

Payroll per Employee

	Virginia		U.S.	
	Payroll per Employee	Rank	Payroll per Employee	Rank
Food and Kindred Products	\$29,027	15	\$33,387	14
Manufacturing	\$35,767	--	\$41,941	--
Food and Kindred Products as a % of Mfg.	81.2%		79.6%	

Source: U.S. Department of Labor, Bureau of Labor Statistics.

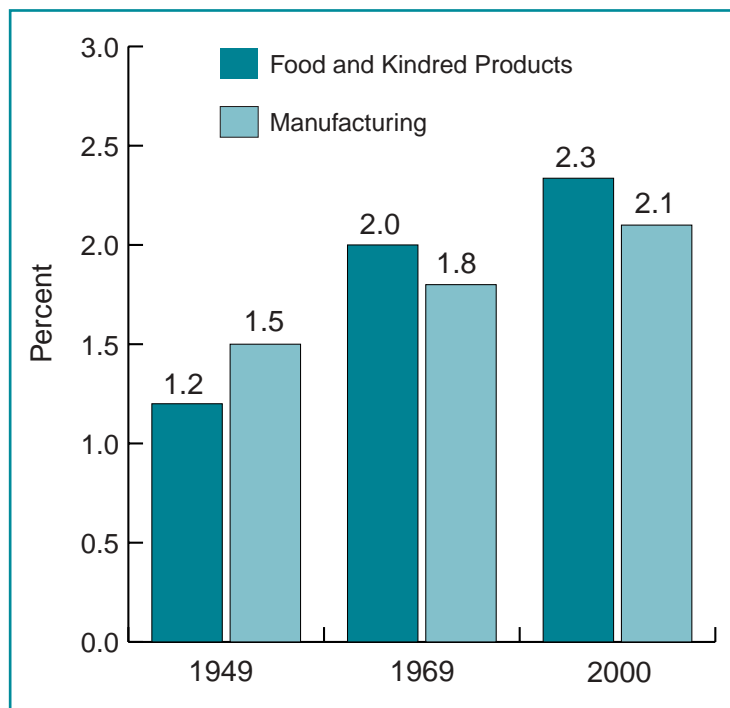
Exports

	Virginia Exports	
	Food and Kindred Products	Manufacturing
2000	\$148,361,000	\$9,395,636,000
1995	\$175,037,000	\$9,294,115,000
Export Growth, 1995-2000	-15.2%	1.1%
Share of Manufactured Goods Exports, 2000	1.6%	--

Source: U.S. Department of Commerce.

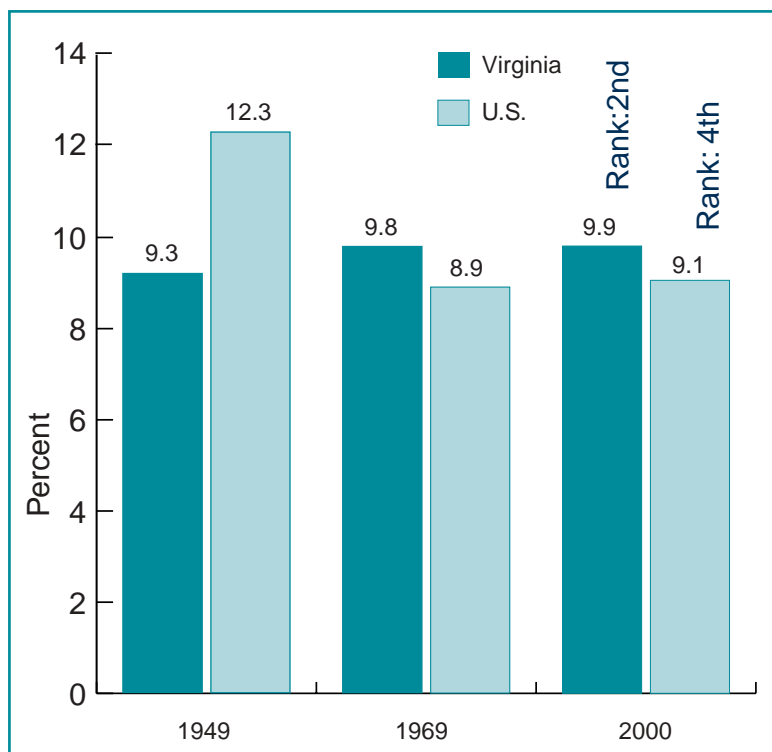
Industry Importance

Virginia's Share of National Food and Kindred Products Industry



Source: U.S. Department of Labor, Bureau of Labor Statistics.

Industry's Share of Manufacturing Employment



Source: U.S. Department of Labor, Bureau of Labor Statistics.

Industry Trends

Virginia employment distribution: meat products (46 percent), miscellaneous food and kindred products (13 percent), bakery products (12 percent), beverages (9 percent), dairy products (6 percent), and sugar and confectionary products (5 percent).

- Consumer tastes dictate certain trends within the industry. Health conscious consumers have created more demand for fish and poultry over red meat. Virginia has been well-positioned to exploit this trend considering the heavy concentrations of chicken and turkey processing in the Commonwealth.
- Consumer demands for additional leisure time and convenience have created a new market in prepared foods such as ready-to-finish dinners and prepackaged salads.
- National packaging has a major impact on market potential. For example, the use of zip lock bags with prepackaged salads, raw vegetables, and make it more convenient to use and store these products.
- Foreign imports account for only 5 percent of apparent domestic consumption.